



Republican Policy Committee

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Senate Republicans: Working to Restore the American Dream

The Productive 104th — Restoring Confidence

- The Republican 104th Congress is off to the quickest start of any Congress in this century. Less than three weeks into the new Congress, the President signed the first bill: S. 2 (P.L. 104-1), a law *making Congress live under the same laws* as everyone else.
- Also signed into law is S. 1 (P.L. 104-4), the Unfunded Mandates Reform Act, which requires Congress to pay for new federal mandates on state, local, and tribal governments. Congress and federal agencies must now consider the costs of federal regulations on these governments and the private sector and laws before they act.
- Senate Republicans, along with their House counterparts, took the first steps toward a balanced budget by reigning in their own committee budgets. *Republicans reduced committee budgets by 15 percent.*
- The Republican Congress voted to give the President a *line item veto* to strike out wasteful spending in appropriation bills — the same tool that 43 governors now use to balance their own budgets.
- The Republican Congress *restored, improved, and made permanent an important tax break for more than 3 million self-employed persons*, a deduction for the cost of health insurance premiums that was lost in 1994.
- Senate Republicans took an important first step toward curbing the hidden, job-killing tax of excessive federal regulation by creating a 45-day window in which Congress could *disapprove proposed federal regulations*.

The Next 100 Days: The Senate Republican Agenda

- Senate Republicans have just begun their ambitious agenda to restore the American dream. Much remains to be done to fulfill the voters' mandate from last November 8th. Some of the important issues likely to be addressed in the near future by Senate Republicans include:
 - Putting the federal budget on the path to balance
 - Providing tax relief for families and to create jobs
 - Enacting tough anti-crime measures
 - Stopping senseless abuse of America's legal system
 - Adopting comprehensive, common sense regulatory reform
 - Reauthorizing important programs to protect our Nation's food supply and the environment, among others.
 - Voting on term limits
 - Reforming welfare
 - Protecting our national security through stronger defense, and asserting U.S. interests in peacekeeping operations

The Moral Imperative of a Balanced Budget

- Despite the Democrats' temporary defeat of the balanced budget amendment in the Senate, *Republicans are determined to pass a no-nonsense budget* resolution this year that will lead to a balance by the year 2002.
- Even with a budget resolution this year leading to a balance, the past two *Clinton-Democrat budgets promise to add more than \$ 1.1 trillion to the public debt* during Clinton's four years in office.
- Congress must not fail to make the tough decisions the public demands now to reign in out-of-control federal spending. *If nothing is done now to transform the Nation's largest entitlement programs, they will consume ALL federal revenues in just 17 years* — the year today's newborns will be graduating from high school — leaving nothing for national defense, highways, or any other discretionary spending.
- According to Clinton's own budget, in *1997 we will pay more for interest on the debt (\$270 billion) than we will pay for national defense (\$257 billion)*.
- The federal debt impacts everyone. One recent estimate is that *the federal deficit results in up to a 2 percent higher interest rate for everyone* — 2 percent higher on your car loan, your mortgage, your credit card, even on the capital needed to build a new factory.

- ***The problem isn't that we're undertaxed.*** Federal taxes as a share of median household income has gone up from 5% in 1950 to 24% today — nearly a quarter of the average household's adjusted gross income is consumed by the federal government in the form of taxes.
- ***America's fiscal crisis is also America's retirement crisis*** — unless Medicare is transformed now, it will go bankrupt in just six years. If we let that happen, senior citizens could face a 300 percent increase in their premiums, and the Medicare portion of FICA taxes for everyone will have to be raised 125 percent from their current level — \$725 more on a \$40,000 salary.

Safe Streets, Safe Neighborhoods

- Public opinion polls continue to show that crime is a top, if not the top concern of most Americans.
- Senate Republicans believe in anti-crime legislation that punishes criminals, not law-abiding citizens, and that doesn't waste money on federal feel-good programs like midnight basketball and dance lessons that won't make anyone safer in their homes or their neighborhoods.
- Senate Republicans will pass legislation that builds more prisons and encourages states to keep violent prisoners behind bars.

Jobs and Opportunity Through Competitiveness

- Senate Republicans believe one of the best ways to create jobs and opportunity for all Americans is to unshackle the free enterprise system from overzealous and burdensome federal regulations.
- Federal regulations are a hidden tax — not just on job creators, but on families, costing an average household more than \$6,000 per year.
- Since Clinton took office, regulations are out of control. Pages in the *Federal Register* last year reached their third highest level in history — more than 64,000 pages of new rules, regulations and administrative actions.
- Senate Republicans fought to give Congress the legislative veto over excessive regulations, and are now fighting for common sense reforms, including requiring honest cost-benefit analysis and unbiased risk assessment based on sound science, not the bureaucracy's personal agendas.